

**What is claimed is:**

1. A method of operating an image-based item processing system, the method comprising:

(a) determining whether physical tracer items are associated with an entry;

and

5 (b) associating a logical group of tracer items with the entry when the determination in (a) is negative.

2. A method of operating a distributed image capture proof-of-deposit system having a central processing site and a number of branches connected via a network with the central processing site, the method comprising the steps of:

5 (a) capturing images of items at a branch without use of physical tracer items at the branch; and

(b) transferring the images captured at the branch via the network to the central processing site.

3. A method according to claim 2, further comprising the step of:

(c) processing at least some images at the central processing site using logical tracer items which have been inserted at the central processing site.

4. A method according to claim 3, further comprising the step of:

(d) processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

5. A method of operating a distributed image capture proof-of-deposit system having a central processing site and a number of branches connected via a network with the central processing site, the method comprising the steps of:

- (a) capturing images of items at a branch;
- 5 (b) transferring the images captured at the branch via the network to the central processing site; and
- (c) processing at least some images at the central processing site using logical tracer items which have been inserted at the central processing site.

6. A method according to claim 5, further comprising the step of:

- (d) processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

7. A method of operating an image capture proof-of-deposit system at a central processing site, the method comprising the steps of:

- (a) capturing images of items at the central processing site; and
- (b) processing at least some images at the central processing site using
- 5 logical tracer items which have been inserted at the central processing site.

8. A method according to claim 7, further comprising the step of:

- (c) processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

9. A method of operating an encoding workstation of an image-based item processing system, the method comprising the steps of:

- (a) determining whether physical tracer items are included in a tray of items; and
- 5 (b) associating a logical group of tracer items with the tray when the determination in step (a) is negative.

10. A method according to claim 9, further comprising the step of:
- (c) assigning a logical pocket number to each logical tracer item in the logical group of tracer items.
11. A method according to claim 10, further comprising the step of:
- (d) for each logical tracer item, encoding a physical blank item with information associated with the particular logical tracer item.
12. A method according to claim 11, further comprising the step of:
- (e) for each encoded item of step (d), routing the encoded item to a pocket which has the logical pocket number of step (c).
13. An image-based item processing system, the system comprising:
- means for determining whether physical tracer items are associated with an entry; and
- means for associating a logical group of tracer items with the entry when the determination is negative.
14. A distributed image capture proof-of-deposit system having a central processing site and a number of branches connected via a network with the central processing site, the system comprising:
- means for capturing images of items at a branch without use of physical tracer items at the branch; and
- means for transferring the images captured at the branch via the network to the central processing site.
15. A system according to claim 14, further comprising means for processing at least some images at the central processing site using logical tracer items which have been inserted at the central processing site.

16. A system according to claim 15, further comprising means for processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

17. A distributed image capture proof-of-deposit system having a central processing site and a number of branches connected via a network with the central processing site, the system comprising:

means for capturing images of items at a branch;

5 means for transferring the images captured at the branch via the network to the central processing site; and

means for processing at least some images at the central processing site using logical tracer items which have been inserted at the central processing site.

18. A system according to claim 17, further comprising means for processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

19. An image capture proof-of-deposit system at a central processing site, the system comprising:

means for capturing images of items at the central processing site; and

5 means for processing at least some images at the central processing site using logical tracer items which have been inserted at the central processing site.

20. A system according to claim 19, further comprising means for processing at least some images at the central processing site using physical tracer items which have been inserted at the central processing site.

21. An encoding workstation of an image-based item processing system, the encoding workstation comprising:

means for determining whether physical tracer items are included in a tray of items; and

5 means for associating a logical group of tracer items with the tray when the determination is negative.

22. An encoding workstation according to claim 21, further comprising means for assigning a logical pocket number to each logical tracer item in the logical group of tracer items.

23. An encoding workstation according to claim 22, further comprising for each logical tracer item, means for encoding a physical blank item with information associated with the particular logical tracer item.

24. An encoding workstation according to claim 23, further comprising for each encoded item, means for routing the encoded item to a pocket which has the corresponding logical pocket number assigned thereto.